



THOMAS L. GARTHWAITE, M.D.
Director and Chief Medical Officer

FRED LEAF
Chief Operating Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012
(213) 240-8101

BOARD OF SUPERVISORS

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February 24, 2005

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**APPROVE AMENDMENT NO. 2 TO EXISTING NON-COUNTY
TRAUMA CENTER SERVICE AGREEMENTS**
(All Districts) (3 Votes)

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Director of Health Services, or his designee, to offer and sign form agreement amendments, substantially similar to Exhibit I, with ten non-County Trauma Center Service hospital providers (Attachment B), effective upon date of Board approval through June 30, 2005, to reallocate funding for emergency care for Medi-Cal beneficiaries, following signature by authorized representatives of each hospital, in order to maintain the Los Angeles County Trauma Hospital System, with no net County cost.

PURPOSE/JUSTIFICATION OF THE RECOMMENDED ACTION:

The purpose of this action is to reallocate \$6,500,000 in base funding for ten non-County trauma hospital contractors for Fiscal Years (FYs) 2003-04 and 2004-05 to ensure continued access to trauma and emergency care for Medi-Cal beneficiaries. The Department of Health Services' (DHS or Department) Emergency Medical Services (EMS) Agency, determined the reallocation based on data regarding each hospital's actual trauma center losses.

The current agreement acknowledges that the County is working with the State of California to secure approval of a Medi-Cal State Plan Amendment (SPA) by the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS). The SPA would enhance Medi-Cal funding for an aggregate amount of \$12,290,980 (Medi-Cal Match) during FYs 2003-04 and 2004-05 for private trauma hospital contractors.

The agreement with the ten non-County trauma hospital contractors is funded from SB 612, California Healthcare for Indigents Program (CHIP), and Measure B.

The SPA has been submitted to CMS and is pending approval. Under the SPA, Measure B funds, together with federal Medicaid matching dollars, will be paid as enhanced Medi-Cal payments to private trauma hospitals. This Board action will reallocate the base funding amount and EMS will recommend specific Medi-Cal payments based on the reallocation. (The enhanced Medi-Cal trauma hospital payments will be made in accordance with the terms, conditions and requirements set forth in a separate agreement to be executed between each Contractor and the State, or its intermediary.) For each private hospital contractor, the reallocation is based on data submitted to the Department's EMS Agency demonstrating each hospital's trauma center losses. If CMS disapproves the SPA, the monetary commitment by the County to the Trauma Centers in the June 24, 2003 Board approved Agreement remains unchanged.

FISCAL IMPACT/FINANCING:

This Board action will not affect net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On July 5, 2003, the Board approved the Trauma Center Service Agreement (Agreement) with ten non-County Trauma Centers for FYs 2003-04 and 2004-05.

On September 21, 2004, the Board approved Amendment No. 1 to the Agreement with ten non-County Trauma Centers to increase FY 2004-05 funding by approximately \$1.3 million.

Amendment No. 2 with the ten Trauma Centers will maintain continued access to trauma and emergency care for Medi-Cal beneficiaries based on actual hospital workload. Original allocations were made based on historical payer data. This Amendment distributes funding based on actual claims data submitted to DHS' EMS agency. The ten Trauma Centers concur with the revised allocations.

The Amendment (Exhibit I) has been approved as to use and form by County Counsel.

Attachments A and B provide additional information.

CONTRACTING PROCESS:

Non-County trauma hospitals executing Amendment No. 2 are current participants in the County's trauma system and satisfy the State and County criteria and conditions for such participation. This Amendment does not apply to the Trauma Agreement with California Medical Center approved by your Board in November 2004.

The ten non-County Trauma Centers and the Healthcare Association of Southern California concur with the recommendation.

The Honorable Board of Supervisors
February 24, 2005
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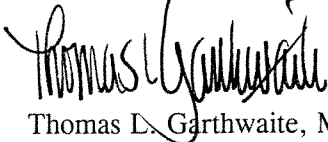
It is not appropriate to advertise these agreements on the Office of Small Business' Countywide Web Site.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

Approval of Amendment No. 2 with the ten non-County Trauma Center hospital providers will ensure the continued access to the current level of trauma services through June 30, 2005.

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Thomas D. Garthwaite".

Thomas D. Garthwaite, M.D.
Director and Chief Medical Officer

TLG:cb

Attachments (3)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors
Auditor-Controller
Chair, Emergency Medical Services Commission
Health Care Association of Southern California
Chief, County Health Services Branch
State Department of Health Services

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SUMMARY OF AGREEMENT AMENDMENT NO .2

1. TYPE OF SERVICE:

Trauma Services at ten non-County operated hospitals.

2. LOCAL EMERGENCY MEDICAL SERVICES (EMS) AGENCY:

Department of Health Services
Emergency Medical Services Agency
5555 Ferguson Drive, Suite #220
Commerce, California 90022
Attention: Carol S. Meyer, Director
Telephone: (323) 890-7545

3. AFFECTED HOSPITAL PROVIDERS:

See Attachment B.

4. TERM OF AGREEMENT:

The ten non-County Trauma Center Service agreements are effective through June 30, 2005.

5. FINANCIAL INFORMATION:

The total monetary commitment by the County to the 10 non-County Trauma Centers in the June 5, 2003 Board approved Agreement is unchanged. There is no impact on net County cost.

6. GEOGRAPHIC AREA SERVED:

Countywide.

7. ACCOUNTABLE FOR PROGRAM MONITORING:

Local EMS Agency.

8. APPROVALS:

Local EMS Agency: Carol S. Meyer, Director

Contracts and Grants Division: Cara O'Neill, Division Chief

County Counsel (approval as to use): Edward A. Morrissey, Deputy County Counsel

TRAUMA CENTER SERVICE AGREEMENT
AMENDMENT NO. 2

		<u>FY 2003-04</u>	<u>FY 2004-05</u>
1.	Cedars-Sinai Medical Center 8700 Beverly Boulevard Los Angeles, CA 90048-1865	H-300384 \$ 535,664	\$ 535,664
2.	Children's Hospital Los Angeles 4650 W. Sunset Boulevard Los Angeles, CA 90027-6062	H-300379 249,999	249,999
3.	Providence Holy Cross Medical Center 15031 Rinaldi Street Mission Hills, CA 91345-1207	H-300380 1,032,949	1,032,949
4.	Huntington Memorial Hospital 100 W. California Boulevard Pasadena, CA 91105-3097	H-300378 530,948	530,948
5.	Henry Mayo Newhall Memorial Hospital 23845 McLean Parkway Valencia, CA 91355-2083	H-300381 208,052	208,052
6.	Long Beach Memorial Medical Center 2801 Atlantic Avenue Long Beach, CA 90806-1737	H-300385 880,197	880,197
7.	Northridge Hospital Medical Center 18300 Roscoe Boulevard Northridge, CA 91325-4105	H-300383 792,649	792,649
8.	Saint Francis Medical Center 3630 E. Imperial Highway Lynwood, CA 90262-2678	H-300376 1,688,999	1,688,999
9.	Saint Mary Medical Center 1050 Linden Avenue Long Beach, CA 90813-3393	H-300506 226,033	226,003
10.	UCLA Medical Center* 10833 LeConte Avenue Los Angeles, CA 90095-3075	H-300382 <u>354,510</u> \$6,500,000	<u>354,510</u> \$6,500,000

*Public Hospital - will not receive enhanced trauma hospital payments under the SPA.

EXHIBIT I

Contract No. _____

TRAUMA CENTER SERVICE AGREEMENT

AMENDMENT NO. 2

THIS AMENDMENT is made and entered into this _____ day
of _____, 2005,

by and between COUNTY OF LOS ANGELES
(hereafter "County"),

and _____
(hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled,
"TRAUMA CENTER SERVICE AGREEMENT", dated June 24, 2003, and further
identified as County Agreement No. _____, (hereafter
referred to as "Agreement"), and

WHEREAS, said Agreement provides that changes may be made in the
form of a written Amendment which is formally approved and executed by
the parties.

NOW, THEREFORE, the parties agree as follows:

1. Subparagraph F of Paragraph 11, PATIENT TRANSFERS, of
Agreement, shall be added to read as follows:

"F. Notwithstanding any other provisions in this
Agreement, Contractor may transfer patients to any County-
operated acute care facility which is currently licensed under
Section 1250 et.seq."

2. Exhibit B, PROVISIONS FOR REIMBURSEMENT, Paragraph II,
FUNDING FOR CONTINUED ACCESS TO EMERGENCY CARE FOR MEDI-CAL
BENEFICIARIES, Sections 1-4, shall be deleted in its entirety and
replaced with the following language:

"1. "PRIVATE HOSPITAL FUNDING FOR FY 2003-04: The parties acknowledge that the County is working with the State of California for approval by the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS), to obtain enhanced Medi-Cal funding in the aggregate amount of \$12,290,981 during FY 2003-04 for private hospital Contractors to ensure continued access by Medi-Cal beneficiaries to trauma and emergency room care in the County. If approved by CMS, the total maximum amount of such enhanced Medi-Cal funding will be allocated to each private hospital Contractor in accordance with the terms, conditions and requirements set forth in a separate agreement to be executed between each Contractor and the State, or its intermediary.

If and upon notification to the County that CMS has disapproved the enhanced Medi-Cal funding proposal, the County shall provide funding in the following maximum amount to each private hospital Contractor to ensure continued access by Medi-Cal beneficiaries to trauma and emergency room care during the FY 2003-04 term of this Agreement:

<u>CONTRACTOR</u>	<u>MAXIMUM AMOUNT</u>
Childrens Hospital Los Angeles	\$ 249,999
Cedars-Sinai Medical Center	\$ 535,664
Providence Holy Cross Medical Center	\$1,032,949
Huntington Memorial Medical Center	\$ 530,948
Henry Mayo Newhall Memorial	\$ 208,052
Long Beach Memorial Medical Center	\$ 880,197

Northridge Hospital Medical Center	\$ 792,649
St. Francis Medical Center	\$1,688,999
St. Mary Medical Center	\$ 226,033

Payment to each private hospital Contractor in the maximum amounts set forth above shall be made in two equal installments on March 31, and June 30, if notice from CMS of disapproval occurs later, as soon after the County's receipt of the notice as reasonably possible.

2. PRIVATE HOSPITAL FUNDING FOR FY 2004-05: The parties acknowledge that the County will work in good faith with the State of California for approval by the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS), to obtain enhanced Medi-Cal funding in the aggregate amount of \$12,290,981 during FY 2004-05 for private hospital Contractors to assure continued access by Medi-Cal beneficiaries to trauma and emergency room care in the County. The parties further acknowledge that this aggregate amount is funded in part by the Measure "B" specific tax as described above, and that this aggregate amount may vary/increase based on a Measure "B" Adjustment, if any.

If and upon notification to the County that CMS has disapproved the enhanced Medi-Cal funding proposal, the County shall provide funding in the following maximum amount to each private hospital Contractor to ensure continued access by Medi-Cal beneficiaries to trauma and emergency room care during the FY 2004-05 term of this Agreement:

<u>CONTRACTOR</u>	<u>MAXIMUM AMOUNT</u>
Childrens Hospital Los Angeles	\$ 249,999
Cedars-Sinai Medical Center	\$ 535,664
Providence Holy Cross Medical Center	\$1,032,949
Huntington Memorial Medical Center	\$ 530,948
Henry Mayo Newhall Memorial	\$ 208,052
Long Beach Memorial Medical Center	\$ 880,197
Northridge Hospital Medical Center	\$ 792,649
St. Francis Medical Center	\$1,688,999

<u>CONTRACTOR</u>	<u>MAXIMUM AMOUNT</u>
St. Mary Medical Center	\$ 226,033

(With distribution of any additional funds as a result of a Measure "B" Adjustment on a pro-rata basis.)

Payment to each private hospital Contractor in the maximum amounts set forth above shall be made in two equal installments on March 31, and June 30, if notice from CMS of disapproval occurs later, as soon after the County's receipt of the notice as reasonably possible. At the sole discretion of the County, payments may be made on a quarterly basis.

3. PUBLIC HOSPITAL FUNDING: To assure continued access by Medi-Cal beneficiaries to trauma and emergency room care in the County, the County shall provide funding on an annual basis, for FY 2003-04 and FY 2004-05, in the following maximum amount to each public hospital Contractor:

<u>CONTRACTOR</u>	<u>MAXIMUM AMOUNT</u>
UCLA Medical Center	\$ 354,510

Payments to each public hospital Contractor for FY 2003-04 and FY 2004-05 in the maximum amount(s) set forth above shall be made in four equal installments consistent with the dates for payment made to private trauma hospital Contractors as set forth in Paragraphs II.1. and 2. of this Exhibit.

4. OTHER PROVISIONS: As a condition of receiving reimbursement as set forth under this Section II. Contractor hereby agrees to provide continued and future outpatient emergency room care to Medi-Cal beneficiaries during the term of this Agreement. Should this Agreement be terminated prior to its expiration, Contractor agrees to refund to County on a pro rata basis any amount paid to Contractor.

Director, at his/her discretion, may deduct from payments due to Contractor under this Section II. any prior overpayments made under this Agreement."

2. Except for the changes set forth hereinabove, the wording of Agreement shall not be changed in any respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its

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Director of Health Services or his designee, and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer

Contractor

By _____
Signature

By _____
(Printed Name)

Title _____
(AFFIX CORPORATE SEAL)

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY COUNSEL

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Health Services

By _____
Irene E. Riley, Director
Contract Administration

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